



## **Indiana Auditors' Association 2012 Budget Process**

**Courtney Schaafsma  
Budget Division Director  
October 27, 2011**



# Agenda

---

- Transparency & Streamlining
- 2012 Budget Process Progress
- Budget Forms
- DLGF Review of Budgets
- Binding Adoption
- County Specific Issues



# Transparency & Streamlining

---

- Transparency is a concept of providing access to information in formats designed to give taxpayers a look into taxes, spending and operations. It is designed to bring better visibility, openness and accountability to local government.
- Streamlining is a process of eliminating duplicative or unnecessary steps and process improvement.
- Both concepts are the focus of DLGF's current and future initiatives.



# 2012 Budget Process Progress

---

- 16 counties certified net assessed values (NAVs) by the August 1 deadline as compared to 9 last year.
- Last year, the DLGF issued 86 budget orders by the February 15 deadline.
- Last year, 90 counties had “on time” property tax bills.
- DLGF Goal: On-time billing for 91 counties



# Budget Forms

---

- Budget forms this year are required to be submitted to the DLGF through Gateway.
- After each form is completed, click “Ready to Submit”.
- Before submitting, check that the proper number of forms have been completed as listed on the Accordion.
- All forms of the same number are submitted as a group.
- Units must still provide the DLGF with a copy of the Proof of Publication of the notice and the signed Form 4 by either PDF (preferred), fax or mail.



# Budget Forms

---

Form 4 is the formal, official budget adoption form.

- Form 4 has the total budget, property tax levy and rates for all adopted funds and is signed by the fiscal body.
- Prior to printing the Form 4, either copy the advertised amount column to the adopted column or directly enter the adopted values in the adopted column.
- Many unit have not completed the adopted columns of Forms 4A and 4B before printing the Form 4. Therefore, Form 4 lists a budget, levy and rate of \$0 as the adopted values.
- If your county is impacted by this issue, please contact the Department ASAP for guidance.



# DLGF's Review of Budgets

---

- DLGF begins reviewing budgets in order based on when the NAVs were submitted and all units of the county have submitted their budget forms on Gateway.
- DLGF will schedule a public hearing through the county auditor's office. The hearing will cover all budgets of all units in the county.
- DLGF will issue a 1782 Notice to each unit notifying the unit of actions taken by the DLGF. Units have 10 days to respond to the 1782 Notice. A prompt response helps counties receive property tax rates earlier.
- DLGF issues the budget order by February 15, certifying the appropriations, property tax levy and rate for each civil taxing unit and each fund.



## Most Common Reasons Budgets or Levies are Denied

---

- Budget was not advertised by September 2 and September 9.
- Budget was not submitted for county council recommendation.
- Budget adopted before receiving county council recommendation or allowing 45 days from submittal to pass.
- County council did not act on or provide recommendations to taxing units within allotted time – 30 days to act, 45 days to issue.
- Fiscal body did not adopt by November 1.
- There were less than 10 days between public hearing and adoption meeting.
- Annual report and annual compensation report not filed with the State Board of Accounts.





# Budget or Levy Denial

---

- If the previously discussed conditions were not satisfied:
  - Both the budget and levy are frozen at previous year's level
    - Unit will not realize the AVGQ growth in the levy.
    - Budgets, levies and rates may decrease but cannot increase.
    - Frozen levy may impact future year's distribution of income taxes.
    - These situations are not a basis for excessive levy appeals.
    - Appropriations may be increased with approval of an additional appropriation within available fund balances except when denial is due to not filing the TA-7, 100R or Annual Report with the State Board of Accounts.



# Binding Adoption

---

- If your county had to do any binding adoptions for other units, be sure all of the information has been submitted appropriately in Gateway.
  - If the county was the adopting body, the county is also the submitter for Gateway.



# County Specific Issues

---

- Paper Copies of Taxing Unit's Budgets
  - Previously, taxing units had to provide the county auditor with 2 copies of their budget forms in paper – one for the DLGF and one for the county auditor.
  - The DLGF no longer requires a paper copy of the budget forms (except for schools who are sending their information direct to their field rep).
  - Each county auditor can determine whether or not submission of the county auditor's copy of the forms is required.
  - Please notify your taxing units of your preference and work with your taxing units for compliance.



# County Specific Issues

---

- Please be sure you have submitted all of the following documents to the Department:
  - Annexation Report
  - Form 22s up through June 2011 distribution
  - County Council Review Forms
  - Local Option Income Tax Changes
  - Levy Freeze Option
- DLGF will be contacting you to schedule the Department's public hearing on the budgets. We will need your assistance in scheduling date and time, available room and publication of the notice.



# County Specific Issues

---

- If you have not yet submitted your NAVs and you have cross county units:
  - As we get ready to certify budgets for other counties which also contain your cross county units, we will be contacting you to give 5 day notice of the need to have certified NAVs.
  - If you cannot certify the NAVs within those 5 days, please let us know as soon as possible.
  - We will then use the most recent abstract AVs in working the budgets of these cross county units.



# Contact the Department

---

- **Courtney Schaafsma**
  - **Telephone: 317.234.3937**
  - **Fax: 317.232.8779**
  - **E-mail: [cschaafsma@dlgf.in.gov](mailto:cschaafsma@dlgf.in.gov)**
- **Web site: [www.in.gov/dlgf](http://www.in.gov/dlgf)**
  - **“Contact Us”: [www.in.gov/dlgf/2338.htm](http://www.in.gov/dlgf/2338.htm).**